

## *The President's Daily Brief*

18 October 1969

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*FOR THE PRESIDENT ONLY*

THE PRESIDENT'S DAILY BRIEF

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PRINCIPAL DEVELOPMENTS

A member of the Soviet disarmament delegation in Geneva has asked for the US delegation's assistance in persuading Ambassador Roshchin to recommend joint US-Soviet ratification of the NPT. (Page 1)

The Chinese Communists have issued their first comprehensive economic statement in three years. (Page 2)

The head of the Libyan junta has called for the evacuation of US and British bases. (Page 3)

The Ovando government nationalized Bolivian Gulf Oil yesterday. (Page 5)

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The Soviets are improving their early warning radar coverage of the Mediterranean. (Page 7)

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## SOVIET AFFAIRS

The Soviet delegation to the Geneva disarmament talks is urging Ambassador Roshchin to recommend to Moscow that the US and the Soviets jointly ratify the NPT "very soon," according to Timerbaev, the number two man in the delegation. Timerbaev said last Tuesday that it would be "extremely helpful" if the US delegation could make its own pitch for joint ratification, and if in addition the delegation could explain that Soviet ratification would be encouraging to the new West German government.

Timerbaev claimed that failure of the treaty would be used by the Soviet military to justify more effort against the West Germans. He said last week, in fact, that failure would give powerful ammunition to those Soviets who were not interested in joint arms control efforts and would thereby reduce the chances for meaningful cooperation in other areas of disarmament, including SALT.

*Timerbaev strongly implied that he and the delegation had developed this initiative themselves, but there is little doubt that a good many Soviets are concerned about the NPT's prospects. The Soviets have two inter-related worries: first, that the West Germans (who in Soviet eyes have always been the most important people to be brought into the fold) will continue to withhold their agreement; and second, that the US is no longer pushing the treaty as hard as Moscow would like. Timerbaev seems to be trying to get some movement in both these areas, and he is holding out the possibility of earlier Soviet ratification in order to do it.*

*We have no way of knowing whether any such recommendation from Roshchin would get very far in Moscow, but it is hard to believe that the Soviets would ratify the treaty before Bonn even signed it. The new West German Government is almost certain to sign the NPT in relatively short order; formal ratification will take a bit longer, however.*

FOR THE PRESIDENT ONLY

## COMMUNIST CHINA

The first comprehensive statement on the Chinese economy in three years, broadcast on 13 October, urged the simultaneous development of heavy industry, light industry, and agriculture. There is no suggestion of any change in the emphasis now being given to development of modern weapons.

*The statement is essentially pragmatic in tone. Private plots and other material incentives are not condemned, for example, and the continuation of the 1969 small-plant construction program is stressed. The promulgation of the statement--it was also published in the theoretical journal Red Flag--suggests the national leaders believe the domestic situation has quieted down enough to permit the resumption of systematic economic planning.*

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LIBYA

Junta leader Lt. Col. Qaddafi, in his first public speech on 16 October, called for the evacuation of UK and US military bases. The colonel's speech was highly emotional, including a threat to use force to "liberate" the bases if they were not evacuated voluntarily.

*Qaddafi's fiery speech may only have been a ploy to generate popular support--denouncing foreign bases is a time-honored crowd pleaser in the Middle East. The omission of a time limit seems to fit such a pattern. The junta's control of the public is not very firm, however, and Qaddafi may discover his rhetoric coming back to haunt him. If the pressure becomes great enough, the Revolutionary Council may be forced to renege on its previously announced intention to allow the US to remain at Wheelus until the expiration of the base agreement in 1971.*

FOR THE PRESIDENT ONLY

AUSTRALIA

Prime Minister Gorton's coalition has been losing ground in public opinion polls since August, and next Saturday's election could go either way. Gorton, however, has resumed the outspoken, no-holds-barred political style that has served him so well during most of the past twenty years. As always, local issues and personalities will affect the outcome--factors that are generally unpredictable.

*The continuation of Australia's present foreign policy is perhaps the major issue in the campaign. Gorton is forcefully defending the allied presence in Vietnam and the "forward defense" policy in Malaysia and Singapore. If the Labor Party takes over we can expect a reduction--if not the complete withdrawal--of Australia's contribution to the defense of Southeast Asia. We can also expect a more querulous approach to US-Australian relations and a more questioning attitude toward US activities that affect Australia.*

FOR THE PRESIDENT ONLY

BOLIVIA

The military seized the offices, installations, and local manager of Bolivian Gulf yesterday afternoon, and Ovando issued a decree nationalizing the company last night. The action followed a statement issued earlier by Minister of Mines Marcelo Quiroga which showed him to be incensed by the government's indecisiveness on the issue. [REDACTED]

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[REDACTED] Quiroga had said, "The government must decide between proving its nationalist essence or being forced to retreat."

*Quiroga is one of the cabinet's most vehement nationalists. When he went over Ovando's head and appealed to popular sentiment on the issue, Ovando apparently lost whatever remained of his reluctance to go ahead with nationalization.*

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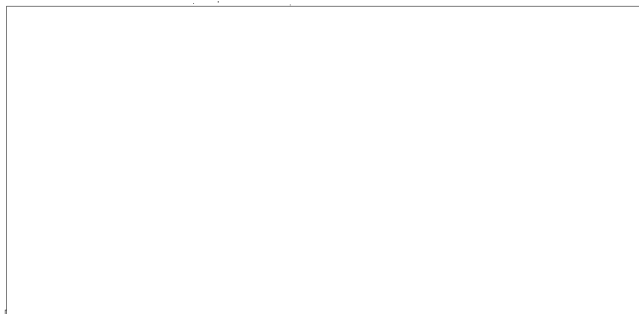
FRANCE



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